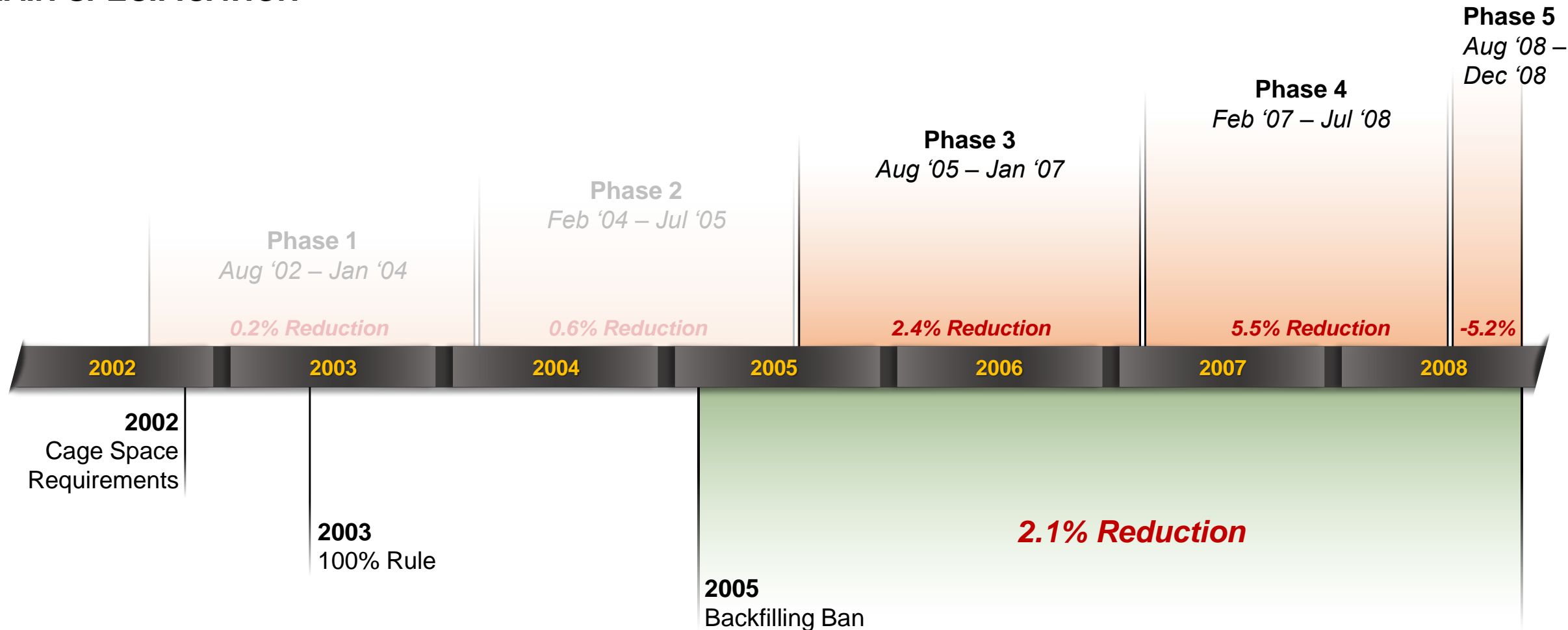


Dr. Jonathan Walker

Direct Examination

Dr. Baye's Egg Production Model Results

MAIN SPECIFICATION

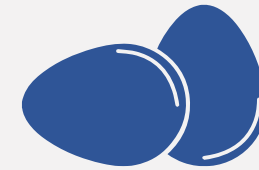


BACKFILLING BAN

Dr. Baye's Benchmark Period Is Inappropriate: The '90s Were Different



Inevitable Cage Space
Requirements

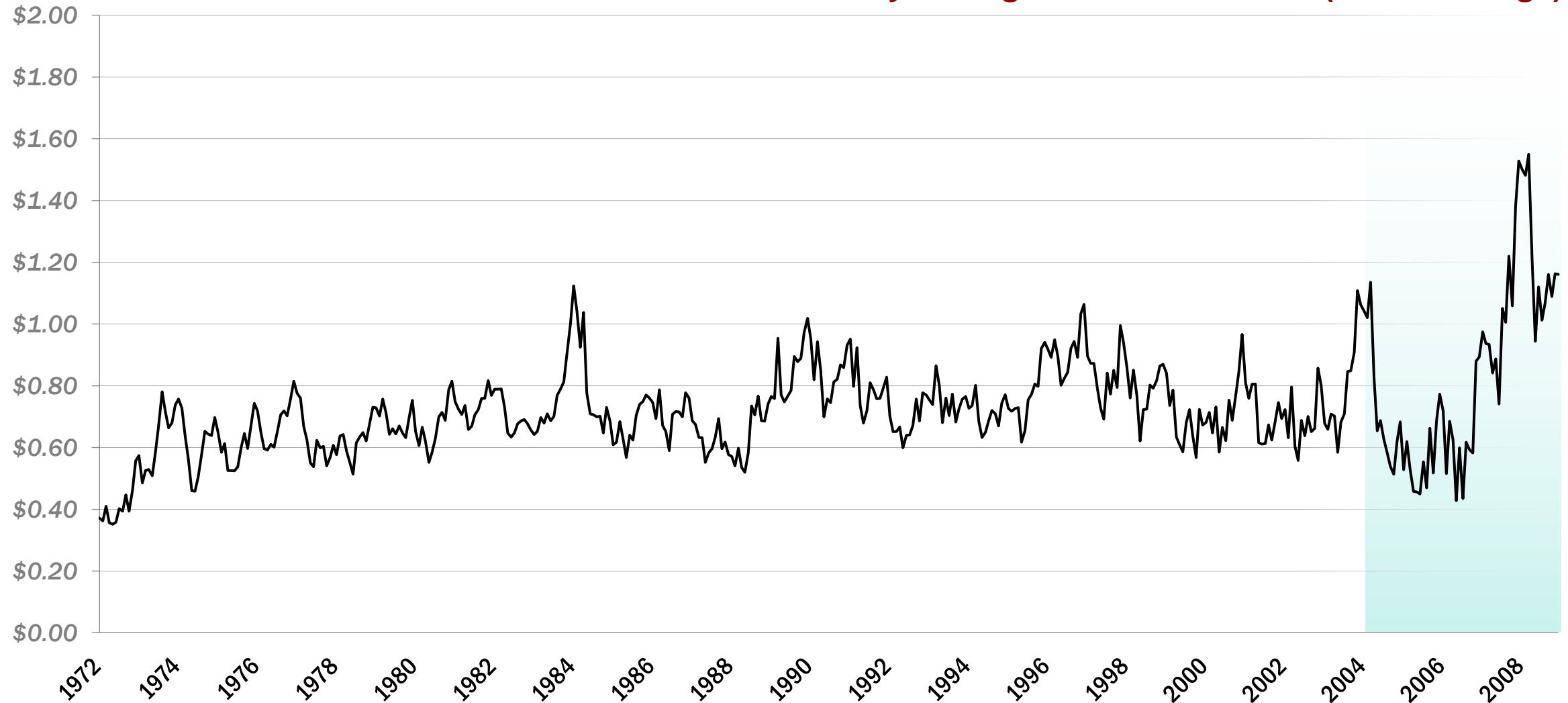


Egg price collapse

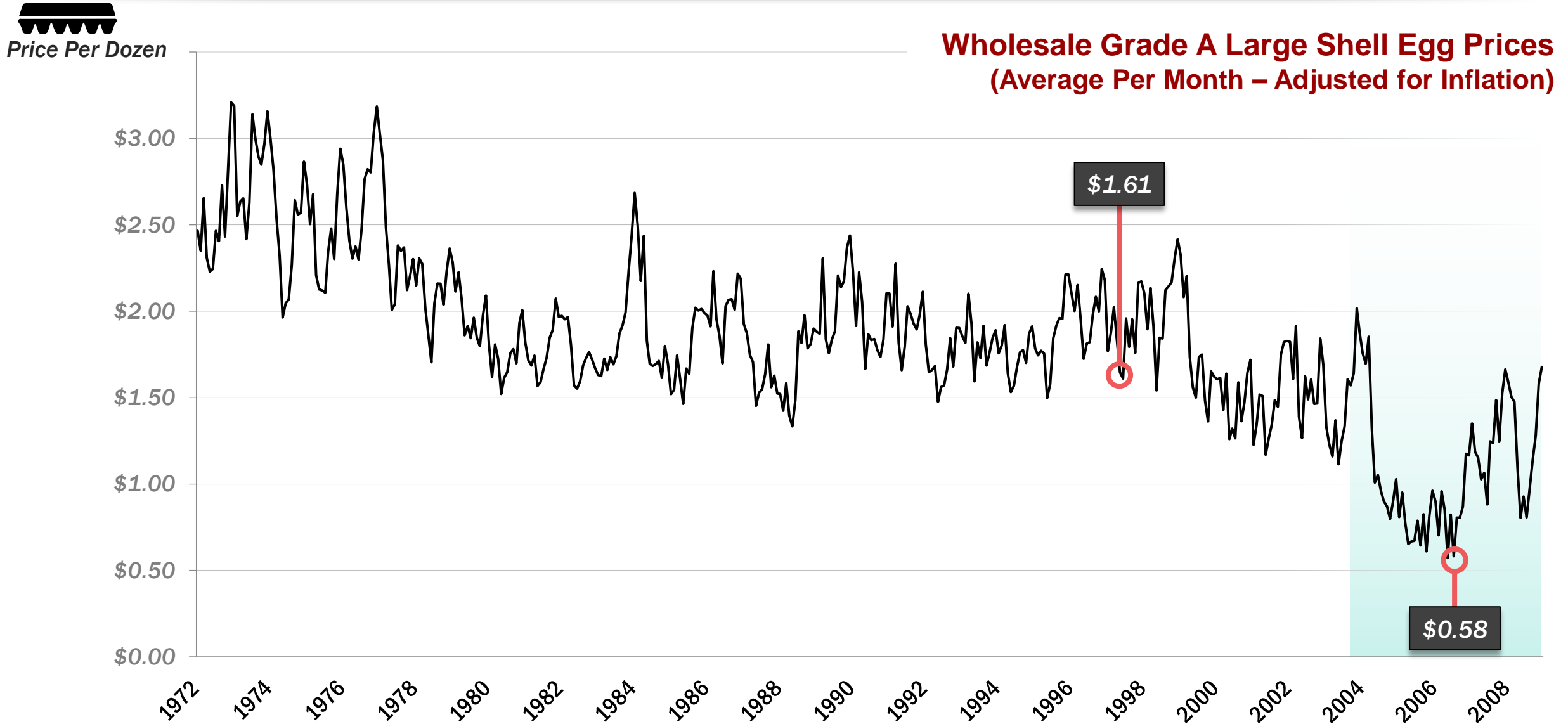
Nominal Prices Were Low


Price Per Dozen

Wholesale Shell Eggs Price Monthly Average for 12-Metro Area (Grade A Large)



Prices Were At Historical Lows



**Table 2. Coefficient Estimates for Price Effects in Dr. Baye's Model
1990 - 2012**

Product (a)	Coefficient Estimate for Alleged Conspiracy (Dr. Baye's Main Specification)			Coefficient Estimate for Backfilling Ban
	Restriction 3 8/2005 - 1/2007 (b)	Restriction 4 2/2007 - 7/2008 (c)	Restriction 5 8/2008 - 12/2012 (d)	2/2005 - 12/2012 (e)
Liquid Eggs				
UB Liquid Eggs, Whole, Custom Pack, Pasteurized, Standard	-2.61	60.90***	20.61	-27.68**
UB Liquid Eggs, Yolk 43% Solids, Custom Pack, Pasteurized, Standard	-61.60***	-15.66	-59.92**	-22.70*
UB Liquid Eggs, Yolk, Salt 43% Solids, 10% Salt, Standard	-69.56***	-15.50	-59.33**	-28.34**
Dried Eggs				
UB Egg Solids, Albumen, Spray (TL)	26.55	85.24***	74.98***	-31.29*
UB Egg Solids, Blend: 65-75% Whole Egg, 25-35% Corn Syrup (TL)	-0.02	49.56***	37.06***	-16.58**
UB Egg Solids, Dried Whole Plain (TL)	-12.58	44.86***	7.70	-32.00**
UB Egg Solids, Yolk (TL)	-49.53***	-19.71	-56.97***	-18.85*

Note: *, **, and *** represent 90, 95, and 99% levels of confidence. Counts are given for products with positive and statistically significant coefficients at the 5% level.

Source: Dr. Walker's DAP Report Appendix Exhibit 2

**7
Products
bought by
Plaintiffs**

7
Products
 bought by
 Plaintiffs

Product (a)	Coefficient Estimate for Backfilling Ban 2/2005 - 12/2012 (e)
Liquid Eggs UB Liquid Eggs, Whole, Custom Pack, Pasteurized, Standard UB Liquid Eggs, Yolk 43% Solids, Custom Pack, Pasteurized, Standard UB Liquid Eggs, Yolk, Salt 43% Solids, 10% Salt, Standard Dried Eggs UB Egg Solids, Albumen, Spray (TL) UB Egg Solids, Blend: 65-75% Whole Egg, 25-35% Corn Syrup (TL) UB Egg Solids, Dried Whole Plain (TL) UB Egg Solids, Yolk (TL)	-27.68** -22.70* -28.34** -31.29* -16.58** -32.00** -18.85*

Changes in Price For the Urner Barry Categories Plaintiffs Bought

BACKFILLING BAN

	Backfilling Ban
<i>Higher</i>	0
<i>No Difference</i>	0
<i>Lower</i>	7